

# COMMITTEE REPORT

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## MADAM PRESIDENT:

The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 345, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1           Page 3, between lines 23 and 24, begin a new paragraph and insert:  
2           "SECTION 2. IC 22-2-5-0.8 IS ADDED TO THE INDIANA CODE  
3           AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
4           1, 2008]: **Sec. 0.8. As used in this chapter, "Internal Revenue Code"**  
5           **has the meaning set forth in IC 6-3-1-11.**  
6           SECTION 3. IC 22-2-5-1, AS AMENDED BY P.L.51-2007,  
7           SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8           JULY 1, 2008]: Sec. 1. (a) Every person, firm, corporation, limited  
9           liability company, or association, their trustees, lessees, or receivers  
10          appointed by any court, doing business in Indiana (**collectively, the**  
11          **"employer"**) shall pay each employee at least semimonthly or  
12          biweekly, if requested, the amount due the employee. **In addition, an**  
13          **employer and an employee may agree to any other pay period,**  
14          **including an agreement to defer compensation that satisfies the**  
15          **requirements of Section 409A of the Internal Revenue Code.** The  
16          payment shall be made in lawful money of the United States, by  
17          negotiable check, draft, or money order, or by electronic transfer to the  
18          financial institution designated by the employee. ~~Any contract in~~  
19          ~~violation of this subsection is void.~~  
20          (b) Payment shall be made for all wages earned ~~to in a date pay~~

1     **period** not more than ten (10) business days ~~prior to the date of~~  
2     ~~payment. However, this subsection does not prevent payments being~~  
3     ~~made at shorter intervals than specified in this subsection; nor repeat~~  
4     ~~any law providing for payments at shorter intervals; following the~~  
5     ~~close of the pay period, unless an employer and an employee agree~~  
6     ~~to a different payment date, including an agreement to defer~~  
7     ~~compensation that satisfies the requirements of Section 409A of the~~  
8     **Internal Revenue Code.** However, if an employee voluntarily leaves  
9     employment, either permanently or temporarily, the employer shall not  
10    be required to pay the employee an amount due the employee until the  
11    next usual and regular day for payment of wages, as established by the  
12    employer. If an employee leaves employment voluntarily, and without  
13    the employee's whereabouts or address being known to the employer,  
14    the employer is not subject to section 2 of this chapter until:

15        (1) ten (10) business days have elapsed after the employee has  
16        made a demand for the wages due the employee; or  
17        (2) the employee has furnished the employer with the employee's  
18        address where the wages may be sent or forwarded.".

19    Renumber all SECTIONS consecutively.  
(Reference is to SB 345 as introduced.)

**and when so amended that said bill do pass .**

Committee Vote: Yeas 9, Nays 0.

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**Senator Kruse, Chairperson**